

VARC

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	SUPPLEMENTAL AGREEMENT NO. 1	DATE
SUPPLEMENTAL LEASE AGREEMENT	TO LEASE NO. GS-04B-204L013	PAGE OF

ADDRESS OF PREMISES

12000 Jefferson Avenue, Newport News, VA 23606

THIS AGREEMENT, made and entered into this date by and between The Southeastern Universities

Research Association, Inc. (SURA)

whose address is

1320 - 19th St., NW, Suite 800, Washington, DC 20036-1610

Hereinafter called Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government;

WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective , as follows:

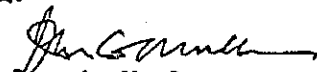
Change Article I, Description of Demised Premises to more accurately describe the Demised Premises by deleting the 8th line of Article I and replacing it with:

"as Parcel C-2 on the Plat Showing VARC Sublease "Metes and Bounds" located in the City of Newport News, Virginia, Revised 11-9-94, designated Exhibit "B" attached."

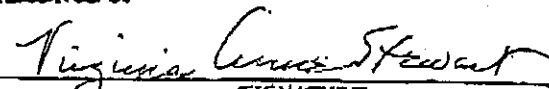
All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

LESSOR

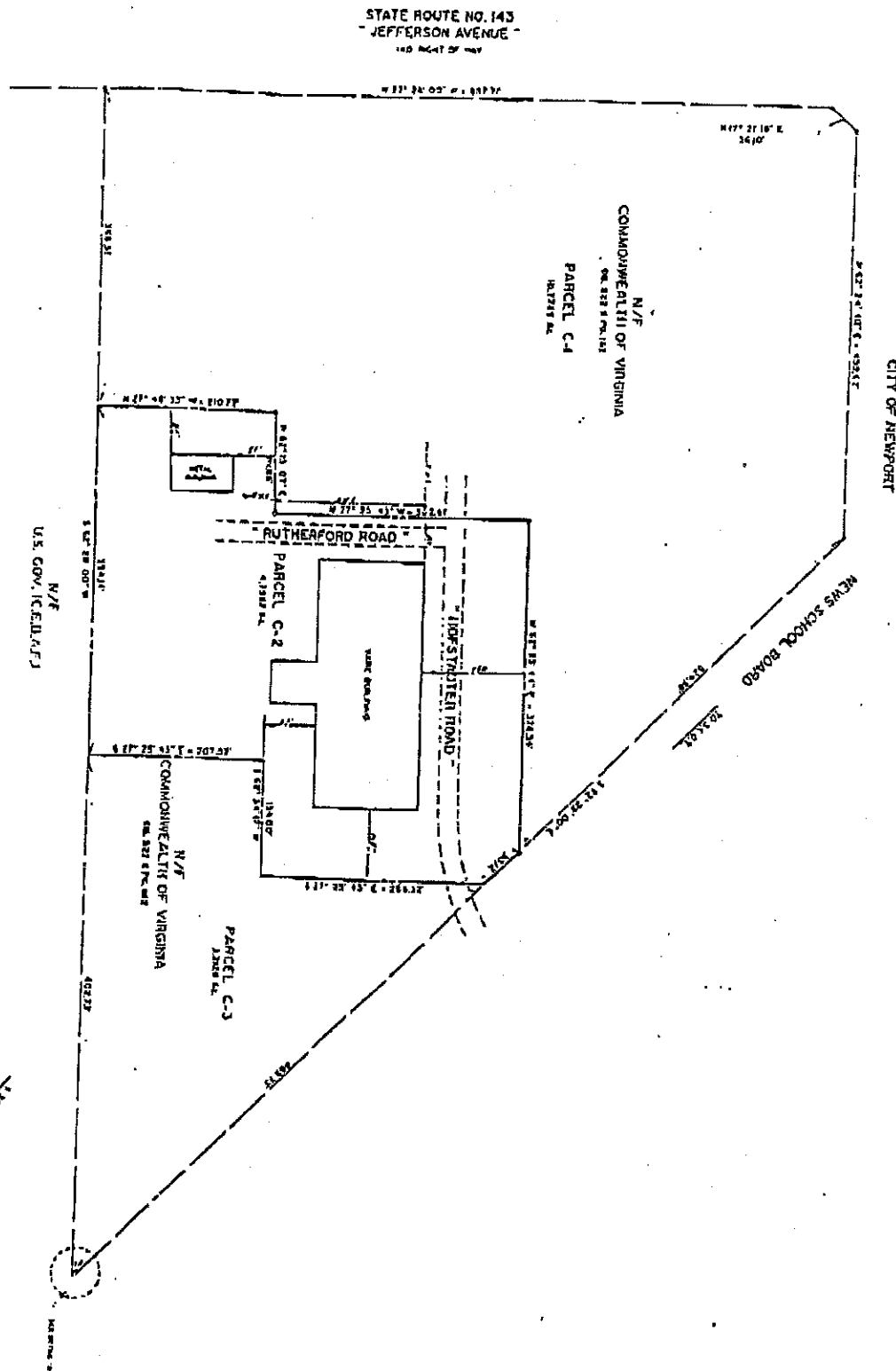
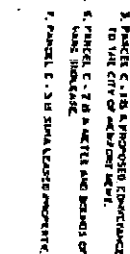
 BY <u>Dennis W. Barnes</u> (SIGNATURE)	President Southeastern Universities Research Association (TITLE)
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IN PRESENCE OF

 (SIGNATURE)	1230 - 19th Street, N.W., Suite 800 Washington, DC 20036-1610 (ADDRESS)
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UNITED STATES OF AMERICA

BY <u>Richard P. Nicholas</u> (SIGNATURE) <u>Contracting Officer Specialist</u> (OFFICIAL TITLE)	Oak Ridge Operations Office P.O. Box 2001 Oak Ridge, Tennessee, 37831 CONTRACTING OFFICER, GENERAL SERVICES ADMINISTRATION (OFFICIAL TITLE)
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PLAY
SHOWING WHILE DANCE!
"METES AND BOUNDS -"
LOCATED BY THE
CITY OF NEWPORT NEWS, VIRGINIA
SEAT - T-100
MEMPHIS & 3-4



DPJ & Associates Inc.
1400 Bayview Ave. - 2nd Fl.
Toronto, Ont. M5S 1A5
Tel: (416) 461-1111

EASE NO. 2041013SUBLEASE

THIS SUBLEASE, dated as of the 29 day of April, 1988 by and between Southeastern Universities Research Association, Inc., a Virginia corporation ("Lessor") and the United States of America, Department of Energy ("Lessee"), provides:

THAT, for and in consideration of the mutual covenants contained herein, Lessor and Lessee hereby covenant and agree as follows:

I.

Description of Demised Premises

Lessor hereby leases to Lessee, and Lessee hereby hires from Lessor, those certain premises (the "Demised Premises") situated in the City of Newport News, Virginia, a building known as the Nuclear Science Building or the Virginia Associated Research Campus (VARC) Building (35,266 sq. ft.), together with the property adjacent thereto including the adjacent building and parking lot, (the "Building") and more particularly depicted as "VARC" on the "Site Plan" designated Exhibit "A", attached hereto and made a part hereof, for a term (the "Term") commencing at Noon, April 29, 1988 (the "Commencement Date") and ending upon the termination of Lessor's unrecorded lease of the same property from the Commonwealth of Virginia, dated January 1, 1985, a copy of which is attached as Exhibit B and incorporated herein, provided that the term of this sublease may not be extended after September 30, 2017 without permission of the Commonwealth of Virginia. This Sublease covers only the Demised Premises and will not govern future disposition of any other property. This Sublease shall become effective upon Lessee's execution of a contract with Lessor for management and operation of the Continuous Electron Beam Accelerator Facility (CEBAF) project in accord with Lessee's policies for management and operating contracts. The contract shall be referenced herein as the "M&O Contract." No provision of this Sublease shall be construed in conflict of Lessee's authority as conferred by any statute, regulation or policy of the United States.

II.

Rent

A. There shall be no rent required of Lessee, except as may be provided elsewhere herein. Consideration for this

Sublease consists of mutual rights and obligations of the parties for construction and operation of CEBAF.

III.

Use of Demised Premises

Lessee shall use the Demised Premises in support of CEBAF for and in accordance with all applicable statutes, laws, ordinances, rules, regulations and orders applicable to Lessee as a contracting party. Lessee acknowledges and agrees that Lessor has made no express or implied warranty, representation, undertaking or agreement regarding the condition of the Demised Premises in the manner or for the purposes contemplated by Lessee. Lessee has the right of approval of any use of the premises by Landlord which is not directly related to CEBAF, provided that the parties agree that present personnel funded by the State of Virginia providing business services for Lessor's corporate functions may continue to utilize the space now occupied for that purpose. Lessee may not use the Demised Premises for any purposes other than that stated in this Article III without the prior written consent of Lessor. Lessee further covenants and agrees that Lessor may:

- (a) retain approval of modifications prepared by Lessee.
- (b) have responsibility for managing the property as necessary for the CEBAF project.
- (c) assign its interest hereunder to its successors and assigns..
- (d) continue to occupy the premises as necessary to conduct research if Lessor ceases for any reason to be the contractor for management and operation of CEBAF.
- (e) with approval of Lessee, conduct activities in accord with Lessor's stated corporate purposes which are not directly related to operation of the CEBAF facility.
- (f) determine space allocation and utilization.
- (g) renovate, repair and maintain the premises in Lessor's discretion when utilizing funds from sources other than the M&O contract.

- (h) continue to occupy the premises as necessary for work not related to CEBAF.

IV.

Access to Premises

Lessor covenants and agrees that Lessee and its agents, employees, contractors, invitees and licensees shall have the right of ingress and egress to the Demised Premises through all common or public areas of the Property. Lessee covenants and agrees that Lessor, his agents, employees, contractors, invitees and licensees shall, without prior notice, have the right of access to the Demised Premises at all times for the performance of Lessor's duties under this Sublease.

V.

Maintenance and Repairs

Lessor shall keep the Demised Premises in reasonably good working order and condition and shall make all repairs and replacements necessary to maintain the Demised Premises in the same condition as on the Commencement Date. Lessor shall be obligated to make no repairs or modifications without reimbursement under its contract with Lessee for management and operation of CEBAF, other than as provided in III(g).

VI.

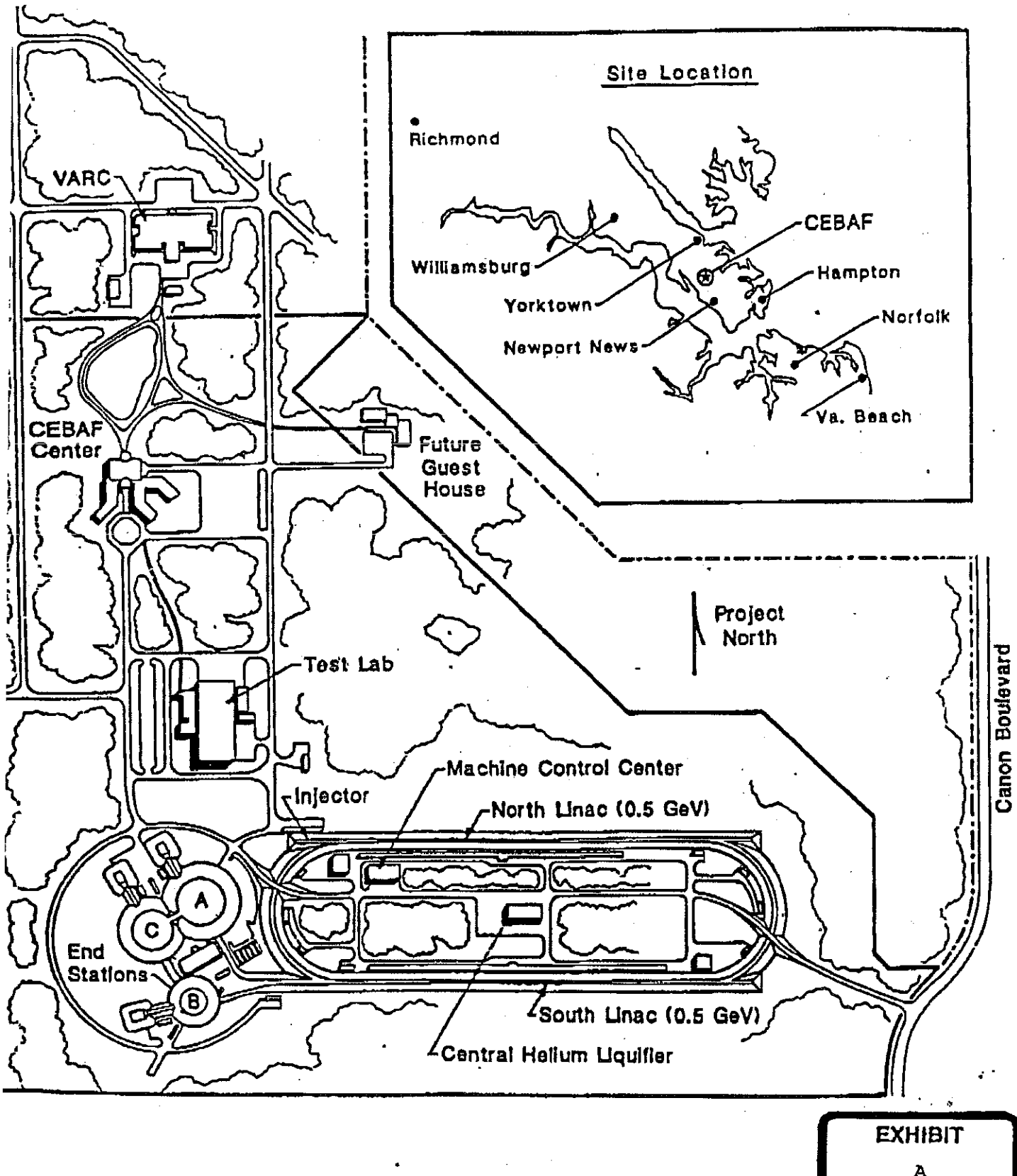
Taxes

A. Lessee shall pay all taxes, charges and levies assessed against the personal property and fixtures owned by Lessee and placed, stored or used by Lessee in conjunction with the Demised Premises. Lessee shall reimburse under its M&O contract any ad valorem, license or other tax (other than any income tax) imposed upon Lessor by reason of or with respect to this Sublease within thirty (30) days after Lessor notifies Lessee that such amount is due and payable.

B. Lessee or Lessor may challenge the amount, validity or applicability of any such tax, fee, charge or obligation, and the non-challenging party shall render all necessary and

THE PLAN

CEBAF



reasonable assistance to the challenging party in the prosecution of such challenge. Notwithstanding such challenge, Lessee shall pay all such taxes, fees, charges and obligations (including any tax, fee, charge or obligation the amount, validity or applicability of which is being challenged) on or before the date on which such taxes, fees, charges or obligations become due and payable.

VII.

Lessor Not liable: Indemnity by Lessee

Lessor shall not be liable for any injury to persons (including death) nor for any loss or damage to property resulting from any cause other than the gross negligence or willful, wrongful act of Lessor. Lessee shall indemnify against and hold Lessor harmless from any and all suits, actions, damages, liability, costs and expenses (including, without limitation, attorneys' fees) arising from or out of (a) any occurrence in or on the Demised Premises or (b) the occupancy or use by Lessee of the Demised Premises, subject to the availability of appropriated funds.

VIII.

Destruction of Leased Premises

A. If the Demised Premises are damaged by fire, the elements, accident or any other casualty whether or not rendered untenable in whole or in part, Lessor shall promptly, at Lessee's expense, as may be approved by Lessee, cause such damage to be repaired.

B. Lessor shall not be required to repair or replace, or to compensate Lessee for, any property which Lessee is entitled to remove from the Demised Premises.

C. Lessor shall not be obligated to make any payment for damages, compensation or claims for inconvenience, loss of business or annoyance arising from any damage to or repair of the Demised Premises or the Building.

D. Lessor will maintain fire and extended coverage on the premises as a reimbursable item under the M&O Contract.

IX.

Eminent Domain

If all or any part of the Demised Premises, or all means of access thereto, is taken or condemned pursuant to the power of eminent domain by the Commonwealth of Virginia, or by purchase in lieu thereof, so that Lessee is no longer able to carry on its business in substantially the same manner as before such taking or purchase, this Sublease shall terminate and Lessee shall have no claim against Lessor or to any portion of the award or purchase price for the value of the unexpired Term, but the foregoing shall not limit Lessee's right to compensation from the condemning or purchasing authority for the value of any of Lessee's property taken (other than Lessee's leasehold interest in the Demised Premises).

X.

Services Provided by Lessor

A. Lessor shall not be liable for the interruption of any of such services caused by repairs, replacements, improvements, alterations, strikes, lock-outs, accidents, the inability of Lessor to secure such services or to obtain fuel or supplies or other cause or causes beyond the reasonable control of Lessor. Lessee and Lessor hereby covenant and agree that such interruptions of any of such services shall not be deemed to be an eviction or disturbance of lessee's use, occupancy or possession of the Demised Premises or any part thereof, nor shall any such interruption render Lessor liable in damages, nor relieve Lessee of its obligation to perform in accordance with the terms, provisions and conditions of this Sublease.

XI.

Rights of Lessee Subordinate

This Sublease, and the rights of Lessee hereunder, are subject and subordinate in all respects to all mortgages or deeds of trust which may now or hereafter affect the Demised Premises, the Building or the land on which the Building is constructed. The foregoing subordination provision shall be self-operative and no further instrument of subordination shall be required; provided, however, that Lessee hereby agrees, upon the request of Lessor, to execute and deliver, in recordable form, any instrument of subordination or confirmation of subordination.

XII.

No Assignment or Subletting

Lessee covenants and agrees that it will not assign this Sublease, or sublet the Demised Premises, without the prior written consent of Lessor, in Lessor's sole and absolute discretion. Notwithstanding any such assignment or sublease to which Lessor consents, Lessee shall continue to be fully liable hereunder.

XIII.

Quiet Enjoyment

Lessor agrees that, subject to and upon compliance with the terms, provisions, covenants and conditions of this Sublease, Lessee shall and may peaceably and quietly have, hold and enjoy the Demised Premises for the Term.

XIV.

Personal Property at Risk of Lessee

Lessee covenants and agrees to comply with all federal, state and local laws, statutes, ordinances, rules, regulations, orders and requirements relative to Lessee's occupancy and use of the Demised Premises. Lessee further covenants and agrees to permit nothing to be done in, on or concerning the Demised Premises which would invalidate, conflict with or increase the premiums for the fire, casualty and liability insurance covering the Demised Premises or the Building.

XV.

No Alterations or Improvements

A. Lessee shall not alter or improve, or cause any alterations or improvements (including, without limitation, the erection or installation of any signs) to be made to, the Demised Premises without Lessor's prior written consent (which Lessor shall be under no obligation to grant). Upon such consent of Lessor, any such alterations or improvements shall be made or constructed at Lessee's sole cost and expense, by one or

more contractors approved in writing by Lessor and using materials approved in writing by Lessor. In addition, all such alterations and improvements, and all such contractors, shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, orders and requirements. Lessee covenants and agrees to indemnify against and hold Lessor harmless from any and all damages, liability, claims, costs, demands and expenses (including, without limitation, attorneys' fees) relative to or resulting from such alterations and improvements and the work in connection therewith. Lessor shall have the right, to be exercised at Lessor's option and in his sole discretion, to require Lessee at the end of the Term to remove any or all of such alterations, improvements, decorations and furnishings and to repair, at Lessee's sole cost and expense, any damage to the Demised Premises resulting from such removal.

XVI.

Covenant to Care for Demised Premises

Lessee covenants and agrees to commit no waste and to take good care of the Demised Premises. Lessee covenants and agrees not to change any locks or lock systems in or on the Demised Premises without the prior written consent of Lessor, and Lessee further covenants and agrees, upon the expiration of the Term, to return all keys to locks installed in or on the Demised Premises or the Building to Lessor and to quit and surrender the Demised Premises broom clean and in good repair and condition, normal wear and tear excepted.

XVII.

Certain Loading Prohibited

Lessee shall not place a load upon the floor of the Demised Premises that exceeds the design or lawful floor load per square foot. Lessor reserves the right to establish and regulate the weight and positioning of all safes, computers and any other heavy equipment or equipment constituting a "live" load in order to provide for the proper distribution of weight, and Lessee agrees to bear the entire cost and expense, if any, necessary to determine such weight and position.

XVIII.

Default of Lessee

A. It will be an event of default (an "Event of Default") under this Sublease if Lessee fails to comply with any term, provision, covenant or condition of this Sublease;

B. Lessee shall have five (5) days after notice from Lessor of an Event of Default to cure any Event of Default.

Upon notice to Lessee by Lessor of the occurrence of an Event of Default and the failure of Lessee to cure such Event of Default within any applicable cure period provided herein, the parties will proceed to resolve the dispute as provided in the M&O contract.

No delay by Lessor in the enforcement of the provisions of this Sublease shall be deemed to constitute a waiver of any default of Lessee, and the pursuit by Lessor of one or more remedies shall not be deemed to waive any other right or remedy Lessor may have. Notwithstanding any other provision of this Sublease, Lessor shall be under no obligation to relet the Demised Premises if Lessee, for any reason whatsoever, vacates the Demised Premises before the end of the Term.

XIX.

Notices

Any notice, request or demand required or permitted to be given pursuant to the provisions of this Sublease shall be in writing and hand delivered or sent by United States mail, certified, postage prepaid, return receipt requested, to the following persons at the indicated address:

To Lessor:

President
Southeastern Universities Research Association, Inc.
Suite 604
1776 Massachusetts Avenue, N.W.
Washington, D.C. 20036

To Lessee:

U.S. Department of Energy
c/o CEBAF Site Office
12000 Jefferson Avenue
Newport News, Virginia 23606

Any such notice, request or demand, if delivered or mailed (as the case may be) in the manner aforesaid, shall be deemed given when actually delivered to the specific address (whether or not any person is there to receive it), or one (1) business day after deposit in the United States mail, whichever first occurs. Either party may, at any time, designate by written notice to the other party (in accordance with the provisions of this Article) a change in the above address or addresses, but such change shall be binding upon the person to whom it is sent only from and after the date of receipt by such person.

XX.

Successors and Assigns

Subject to the provisions of Article XII, this Sublease and all of the terms, provisions, covenants and conditions contained herein shall inure to the benefit of, and be binding upon Lessor and Lessee and their respective successors and assigns.

XXI.

Relationship of Parties

Nothing contained in this Sublease shall be deemed or construed by the parties hereto or by any third person as creating the relationship of principal and agent or a partnership or joint venture between the parties hereto, it being expressly understood and agreed that no provision contained herein nor any act of the parties hereto shall be deemed to create any relationship between such parties other than the relationship of landlord and tenant.

XXII.

Severability

If any provisions of this Sublease or the application thereof to any person or circumstance shall, for any reason or

to any extent, be held or determined to be invalid or unenforceable, the remainder of this Sublease and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

XXIII.

Waiver

No waiver of any condition or legal right or remedy shall be implied by the failure of either party to declare a forfeiture, or for any other reason, and no waiver of any conditions or covenant shall be valid unless it is contained in a writing signed by both parties, nor shall the waiver of a breach of any condition or covenant be claimed or pleaded to excuse the future breach of the same condition or covenant.

XXIV.

Applicable Law

This Sublease shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

XXV.

Titles

The titles contained in this Sublease are inserted only for convenience of reference and are not to be construed as a part of this Sublease nor as a limitation upon the scope of the particular provisions to which they refer.

XXVI.

General Provisions

A. This sublease shall be subject to paragraphs 6, 7, 9, 10 and 12 of the "General Provisions, Certification and Instructions, U.S. Government Lease for Real Property (May 1970 ed.) a copy of which is attached as Exhibit C.

B. This sublease shall be subject to the Lease between the Commonwealth of Virginia and the College of William and Mary, an institution thereof, and Southeastern Universities Research Association, Inc. Lessor and Lessee agree not to act in contravention of the terms of the Lease, a copy of which is attached hereto as Exhibit B.

C. Lessee agrees to assert no claims against the Commonwealth or the College of William and Mary arising from the existence of this Sublease.

XXVII.

Entire Agreement

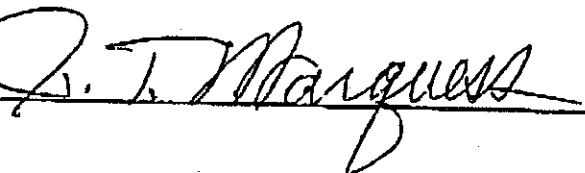
This Sublease, together with the Exhibits attached hereto, which are hereby incorporated herein by reference, contains the entire agreement between Lessor and Lessee relative to the Demised Premises, and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties. This Sublease shall not be amended or modified, and no waiver of any provision hereof shall be effective, unless and until set forth in a written instrument authorized and executed with the same formality as this Sublease.

WITNESS the following signatures:

SOUTHEASTERN UNIVERSITIES RESEARCH
ASSOCIATION, INC., Lessor

By: 

UNITED STATES OF AMERICA,
DEPARTMENT OF ENERGY, Lessee

By: 

The College of William and Mary in Virginia ("College") and the Commonwealth of Virginia ("Commonwealth") acting through the Department of General Services, have hereinafter signed the foregoing sublease for the sole and exclusive purpose of granting their written consent to same as required under paragraph 3b of that certain lease, dated January 1, 1985, between the Commonwealth of Virginia and the College of William and Mary in Virginia and Southeastern*

Sublease

1 Approved:
College of William and Mary

Recommend approval:
Division of Engineering
and Buildings
Department of General Services

By: Will A. Murch, Jr.

By: [Signature]
Director

Recommend approval:
Department of General Services

By: [Signature]
Director

APPROVED BY THE GOVERNOR:

Pursuant to Section 2.1-504.2 of the Code of Virginia (1950), as amended, as the official designee of the Governor of Virginia, as authorized and designated by Executive Order 29(86), dated November 13, 1986, I hereby approve the sublease of the demised premises pursuant to this Sublease Agreement and the execution of this instrument for, on behalf of, and in the stead of the Governor of Virginia.

[Signature]
Secretary of Administration

12/2/87
(Date)

*Universities Research Association, Inc. In so granting its consent, neither the College nor the Commonwealth acquires or assumes any of the rights, obligations, liabilities or duties of any of the parties to this sublease.

NOTARY'S CERTIFICATE

I, Arnold M. Whitehead, a Notary Public in and for the Commonwealth of Virginia, whose commission expires on the 7th day of October, 1989, do hereby certify that the SOUTHEASTERN UNIVERSITIES RESEARCH ASSOCIATION, INC. by William A. Wallenmeyer, President, whose name is signed to the foregoing deed, acknowledged the same before me in my jurisdiction aforesaid.

GIVEN under my hand this 31st day of March, 1988.

Arnold M. Whitehead

Notary Public

GENERAL PROVISIONS, CERTIFICATION AND INSTRUCTIONS

U.S. Government Lease for Real Property

GENERAL PROVISIONS

1. SUBLETTING THE PREMISES.

The Government may sublet any part of the premises but shall not be relieved from any obligations under this lease by reason of any such subletting.

2. MAINTENANCE OF PREMISES.

The Lessor shall maintain the demised premises, including the building and any and all equipment, fixtures, and appurtenances, furnished by the Lessor under this lease in good repair and tenable condition, except in case of damage arising from the act or the negligence of the Government's agents or employees. For the purpose of so maintaining said premises and property, the Lessor may at reasonable times, and with the approval of the authorized Government representative in charge, enter and inspect the same and make any necessary repairs thereto.

3. DAMAGE BY FIRE OR OTHER CASUALTY.

If the said premises be destroyed by fire or other casualty this lease shall immediately terminate. In case of partial destruction or damage, so as to render the premises untenable, as determined by the Government, the Government may terminate the lease by giving written notice to the Lessor within fifteen (15) days thereafter; if so terminated no rent shall accrue to the Lessor after such partial destruction or damage; and if not so terminated the rent shall be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage.

4. ALTERATIONS.

The Government shall have the right during the existence of this lease to make alterations, attach fixtures and erect additions, structures or signs in or upon the premises hereby leased, which fixtures, additions or structures so placed in, upon or attached to the said premises shall be and remain the property of the Government and may be removed or otherwise disposed of by the Government.

5. CONDITION REPORT.

A joint physical survey and inspection report of the demised premises shall be made as of the effective date of this lease, reflecting the then present condition, and will be signed on behalf of the parties hereto.

6. COVENANT AGAINST CONTINGENT FEES.

The Lessor warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this lease without liability or in its discretion to deduct from the rental price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee. (Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, and who have not obtained such licenses for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exception contained in this clause.)

7. OFFICIALS NOT TO BENEFIT.

No Member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this lease

contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this lease contract if made with a corporation for its general benefit.

8. ASSIGNMENT OF CLAIMS.

Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. 203, 41 U.S.C. 151), if this lease provides for payments aggregating \$1,000 or more, claims for monies due or to become due the Lessor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned or reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Notwithstanding any provisions of this contract, payments to an assignee of any monies due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set-off.

9. EQUAL OPPORTUNITY CLAUSE.

(The following clause is applicable unless this contract is exempt under the rules, regulations, and relevant orders of the Secretary of Labor (41 CFR, ch. 60).)

During the performance of this contract, the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(c) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(e) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting

agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. *Provided, however,* That in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

10. FACILITIES NONDISCRIMINATION.

(a) As used in this section, the term "facility" means stores, shops, restaurants, cafeterias, restrooms, and any other facility of a public nature in the building in which the space covered by this lease is located.

(b) The Lessor agrees that he will not discriminate by segregation or otherwise against any person or persons because of race, color, religion, sex, or national origin in furnishing, or by refusing to furnish, to such person or persons the use of any facility, including any and all services, privileges, accommodations, and activities provided thereby. Nothing herein shall require the furnishing to the general public of the use of any facility customarily furnished by the Lessor solely to tenants, their employees, customers, patients, clients, guests and invitees.

(c) It is agreed that the Lessor's noncompliance with the provisions of this section shall constitute a material breach of this lease. In the event of such noncompliance, the Government may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law. In the event of termination, the Lessor shall be liable for all excess costs of the Government in acquiring substitute space, including but not limited to the cost of moving to such space. Substitute space shall be obtained in as close proximity to the Lessor's building as is feasible and moving costs will be limited to the actual expenses thereof as incurred.

(d) It is further agreed that from and after the date hereof the Lessor will, at such time as any agreement is to be entered into or a concession is to be permitted to operate, include or require the inclusion of the foregoing provisions of this section in every such agreement or concession pursuant to which any person other than the Lessor operates or has the right to operate any facility. Nothing herein contained, however, shall be deemed to require the Lessor to include or require the inclusion of the foregoing provisions of

this section in any existing agreement or concession arrangement or one in which the contracting party other than the Lessor has the unilateral right to renew or extend the agreement or arrangement, until the expiration of the existing agreement or arrangement and the unilateral right to renew or extend. The Lessor also agrees that it will take any and all lawful actions as expeditiously as possible, with respect to any such agreement as the contracting agency may direct, as a means of enforcing the intent of this section, including, but not limited to, termination of the agreement or concession and institution of court action.

11. EXAMINATION OF RECORDS.

(NOTE.—This provision is applicable if this lease was negotiated without advertising.)

(a) The Lessor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of 3 years after final payment under this lease, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Lessor involving transactions related to this lease.

(b) The Lessor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or his representatives shall, until the expiration of 3 years after final payment under this lease with the Government, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the subcontract.

12. APPLICABLE CODES AND ORDINANCES

The Lessor, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the building in which the leased space is situated and, at his own expense, to obtain all necessary permits and related items.

13. INSPECTION.

At all times after receipt of Bids, prior to or after acceptance of any Bid or during any construction, remodeling or renovation work, the premises and the building or any parts thereof, upon reasonable and proper notice, shall be accessible for inspection by the Contracting Officer, or by architects, engineers, or other technicians representing him, to determine whether the essential requirements of the solicitation or the lease requirements are met.

14. ECONOMY ACT LIMITATION.

If the rental specified in this lease exceeds \$2,000 per annum, the limitation of Section 322 of the Economy Act of 1932, as amended (40 U.S.C. 278a), shall apply.

15. FAILURE IN PERFORMANCE.

In the event of failure by the Lessor to provide any service, utility, maintenance or repairs required under this lease, the Government shall have the right to secure said services, utilities, maintenance or repairs and to deduct the cost thereof from rental payments.

16. LESSOR'S SUCCESSORS.

The terms and provisions of this lease and the conditions herein shall bind the Lessor, and the Lessor's heirs, executors, administrators, successors, and assigns.

CERTIFICATION

1. CERTIFICATION OF NONSEGREGATED FACILITIES.

(Applicable to (1) contracts, (2) subcontracts, and (3) agreements with applicants who are themselves performing federally assisted construction contracts, exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause.)

By the submission of this bid, the bidder, offeror, applicant, or subcontractor certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies sur-

ther that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder, offeror, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors

prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

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INSTRUCTIONS

1. Whenever the lease is executed by an attorney, agent, or trustee on behalf of the Lessor, two authenticated copies of his power of attorney, or other evidence to act on behalf of the Lessor, shall accompany the lease.

2. When the Lessor is a partnership, the names of the partners composing the firm shall be stated in the body of the lease. The lease shall be signed with the partnership name, followed by the name of the partner signing the same.

3. Where the Lessor is a corporation, the lease shall be signed with the corporate name, followed by the signature

and title of the officer or other person signing the lease on its behalf, duly attested, and, if requested by the Government evidence of this authority so to act shall be furnished.

4. When deletions or other alterations are made specific notation thereof shall be entered under clause 8 of the lease before signing.

5. If the property leased is located in a State requiring the recording of leases, the Lessor shall comply with all such statutory requirements at Lessor's expense.